

## **0510.31 Statement of Work – Pre-Award**

Issued October 31, 2007

**SUBJECT:** Statement of Work – Pre-Award

**APPLICATION:** Executive branch departments and sub-units.

**PURPOSE:** To provide a consistent process for the development of statements of work to be used for commodities, services, and Information Technology (IT) procurement requests, advices of change, and addendums.

**CONTACT AGENCY:** Department of Management and Budget (DMB)  
Business Services Administration  
Purchasing Operations (PurchOps)

**TELEPHONE:** 517/335-0230

**FAX:** 517/335-0046

**SUMMARY:** Statement of Work (SOW) development is necessary to insure that the best quality products, services, and/or outcomes are obtained at the most competitive price available and within the time frame required.

The Statement of Work and Specifications provide the basis for structuring monitoring activities. They set forth the characteristics of goods and/or services to be purchased to enable the vendor to understand expectations and specifications/requirements of the contract clearly. The information may be in the form of a description of the physical, functional, or performance characteristics, or a reference to a brand name. Specifications may include requirements and standards for inspecting, testing, or preparing material, equipment, or supplies for delivery. A descriptive Statement of Work will yield an effective process for obtaining feedback against its requirements.

**APPLICABLE FORMS AND PROCESSES:** ITB/RFP Template  
Procurement Initiation Letter (PRF)  
DIT-0015a and b for Information Technology purchases  
Requisition header-REQ (PCHL2100)  
Contractual Services Request-CS-138 (PCHL2117)

Procurement Documentation:  
SOW Checklist  
Contract Folder Tab 4

**APPROVALS:** Internal and external approvals must be obtained and documented according to agency policies and procedures, including provisions surrounding signature authority.

### **PROCEDURES:**

#### **Agency:**

- Submits completed and signed PRF to PurchOps.
- Downloads the solicitation template Statement of Work section template from the DMB intranet site at <http://connect.michigan.gov/portal/site/dmb/>, Services, Statewide Purchasing, Purchasing Templates to begin each new procurement request SOW, to insure that the most recent version is utilized. Note: As of 9/7/07, revisions of this template are currently in review by the Attorney

General's Office State Affairs division. Once their review is complete, the updated documents will be available at this site.

- Provides specification information and lists detailed questions for each section included in the solicitation template Statement of Work section template selected. Incorporates all information necessary to solicit complete vendor responses.
- Completes the SOW section (solicitation template Statement of Work section) of the appropriate (commodities, services, IT) ITB/RFP template in Microsoft WORD format.
  - For commodity or general services purchases, the SOW should include:
    - complete description of the commodity or service required
    - required quantity
    - expected delivery/deliverable schedule (if multiple deliverables are required, identify requirements for each) and period of time needed
    - specialized licensing requirements
    - contract period and basis for payment
    - ITB draft documents submitted should be complete (All Articles, based on the appropriate template published on the DMB PurchOps intranet site)
  - For IT, professional services, or performance based contract requests, the SOW should include:
    - complete description of the outcomes, deliverables, performance requirements
    - required service levels
    - functionality needed
    - estimates for anticipated size/volume/usage
    - applicable laws or governing industry standards
    - milestone delivery/deliverable schedule (if multiple deliverables are required, identify requirements for each) and period of time needed
    - specialized licensing requirements
    - contract period and basis for testing, acceptance and payment.
    - RFP draft documents submitted should be complete (All Articles, based on the appropriate template published on the DMB PurchOps intranet site, <http://connect.michigan.gov/portal/site/dmb/>).
- Deletes all text highlighted for deletion prior to posting, per the template instructions.
- Completes first draft of remainder of ITB/RFP template articles (All Articles) based on SOW draft, prior to submitting the entire document to PurchOps for assignment and review. Continues as outlined in Procedure 0510.32 for the solicitation process.
- Uses track changes to mark any deletions made which are not highlighted within the template instructions, maintaining the associated headings and numbering, while designating the deleted sections as "Reserved," to preserve consistent numbering between documents.

**For Services and Commodities Purchases:**

- Forwards SOW to PurchOps assigned buyer (see PCHL2100 or REQ electronic notepad), within seven days of agency notification of buyer assignment. Notification may include posting of buyer assignment within MAIN on the REQ header (PCHL2100) and the electronic notepad.
- Revises the SOW according to suggestions made by the assigned buyer reviewing the draft, and resubmits within 14 calendar days of the buyer review. In the event the agency does not provide a revised SOW within 14 calendar days of the buyer review, the REQ will be rejected back to the end user, unless alternative arrangements have been made with the assigned PurchOps director, manager, or buyer.
- SLAs are published for PurchOps process timeline targets on the DMB Intranet site at <http://connect.michigan.gov/portal/site/dmb/>, Services, Statewide Purchasing, Purchasing Letters, Acquisition Services Letters, time frame goals for purchasing processes.

**For Information Technology Purchases the Department of Information Technology (DIT):**

- Follows process as listed above for all other purchasing types, with the exception of the additional step listed immediately below:

Forwards SOW along with the signed DIT-0015a or b (or currently approved request document, such as the PRF), to PurchOps.

For Services & Commodities Purchases:

- Buyer will match the submitted SOW with the associated signed PRF.
- Buyer will review the submitted SOW, accepting any approved tracked changes, and providing relevant comments/suggested modifications with WORD track changes enabled. (Selected from the "Tools" menu in a WORD document)
- Buyer will highlight associated sections, and provide relevant examples for sections which are incomplete or found to be unsatisfactory overall.
- Buyer will actively engage the Agency Contact in the SOW revision process, either by phone and/or via email, explaining areas of concern or that require additional work, prior to rejecting the REQ back to the agency.
- Buyer completes final review of SOW, along with submitted draft of remaining ITB/RFP articles, confirming the selection of relevant terms and conditions, selection criteria, etc., according to procedure 0510.32 for the solicitation process.
- Buyer obtains all necessary approvals based on signature authority policy and proceeds with the bid process according to procedure 0510.32.

For Information Technology Purchases the Department of Information Technology (DIT):

- Match the submitted SOW with the associated signed DIT-0015a or b and forward to the assigned buyer.
- Buyer will review the submitted SOW, accepting any approved tracked changes, and providing relevant comments/suggested modifications with WORD track changes enabled. (Selected from the "Tools" menu in a WORD document)
- Buyer will highlight associated sections, and provide relevant examples for sections which are incomplete or found to be unsatisfactory overall.
- Buyer will actively engage the Agency Contact in the SOW revision process, either by phone and/or via email, explaining areas of concern or that require additional work, prior to rejecting the SOW back to the agency.
- Buyer completes final review of SOW, along with submitted draft of remaining ITB/RFP articles, confirming the selection of relevant terms and conditions, selection criteria, etc., according to procedure 0510.32 for the solicitation process.
- Buyer obtains all necessary approvals based on signature authority policy and proceeds with the bid process according to procedure 0510.32.

Authority provided by Public act 431 of 1984, as amended (Governing Authority) with accompanying Agency memorandums of Understanding (MOU).

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